

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6099**

**BILL NUMBER:** SB 393

**NOTE PREPARED:** Feb 21, 2009

**BILL AMENDED:** Feb 19, 2009

**SUBJECT:** Primary Care Physician Loan Forgiveness Program.

**FIRST AUTHOR:** Sen. Simpson

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) The bill establishes the primary care physician loan forgiveness program (PCPLFP) and the Primary Care Physician Loan Forgiveness Fund (PCPLFF). The bill specifies qualifications to receive a student loan forgiveness payment from the PCPLFF. (The introduced version of this bill was prepared by the Health Finance Advisory Committee)

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** (Revised) *Summary:* PCPLFF Uses & Funding Sources- Monies from the PCPLFF would be used for loan forgiveness of qualified primary care physicians. A loan forgiveness payment would equal the lesser of either the balance of a physician's student loan total or \$5,000. It is unknown how many qualified physicians would apply to the PCPLFF for relief of student loans. The bill would allow money in the PCPLFF to be used for administration of the PCPLFF. The PCPLFF would consist of General Assembly appropriations and gifts to the fund. The impact to state expenditures would depend on the level of appropriations and gifts to the PCPLFF.

Medical Education Board- The Medical Education Board (MEB) would be required to annually provide to the State Student Assistance Commission (SSAC) the number primary care physician medical residents serving in Indiana.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** SSAC; Treasurer of State; MEB.

**Local Agencies Affected:**

**Information Sources:** Budget Agency Auditor's Data; *State of Indiana List of Appropriations Made by the 2007 Indiana General Assembly for the Biennium July 1, 2007, to June 30, 2009.*

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